



# Think Big by Going Small

The Use of Marginal  
Gains in Business



# Think Big by Going Small: The Use of Marginal Gains in Business.

Marginal Gains. Small incremental changes which have a monumental impact.

This strategy has been used in many aspects of life, but none more popular than in business and sport.

From the Japanese language all the way to British Cycling and business, they have definitely made an impact in many aspects of life.

This paper will explore what marginal gains are, how they are applied to sport successfully, and how the same processes can be applied in business.

## Sir Dave Brailsford pulls British Cycling out of the dark

Beijing 2008, London 2012. Seven out of a possible ten gold medals were won back to back by Team GB's Track Cycling team headed by the now Sir Dave Brailsford.

Before Brailsford became performance director at British Cycling in 2003, they had won just a handful of gold medals in 76 years, but that all changed in the succeeding years.

No cheating, witchcraft or military-style training camps were used. The truth of how Team GB made such a big turnaround was far simpler.



Brailsford applied the theory of marginal gains to cycling. If every minute detail of what goes into preparing an athlete for a race was laid out and improved, even by just 1%, then the small improvements would be compounded and the overall performance will significantly improve.

They didn't just improve either - they became the most successful British team at a world and Olympic level in any sport.

## Inspired by Kaizen - The change for better.

Kaizen means 'good change' and comes from the Japanese characters, 改 (kai) and 善 (zen), although it is often changed to mean the 'change for the better', or 'continuous improvement'.<sup>1</sup>

After being influenced by American businesses processes, Kaizen was first used by Japanese Businesses after World War Two, but it has gone on to be used world-wide with tremendous success.

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Brailsford was inspired by Kaizen whilst completing his Master of Business Administration at Sheffield Hallam University.

Talking to the Harvard Business Review in 2015, he spoke about how he realised the technique could be used for his British Cycling athletes.

"It struck me that we should think small, not big, and adopt a philosophy of continuous improvement through the aggregation of marginal gains" Brailsford explained. He wanted to throw the 'how to train athletes' rule book out of the window.<sup>2</sup>

Forget trying to improve one thing dramatically, that was never going to happen. Instead, he wanted to make small improvements everywhere and progress forward. Don't just improve one thing 100%, improve one hundred things 1%.

## Brailsford's approach

So, how far did Brailsford take it and what steps did he make?

Checks and improvements that are normal for a track cycling team were carried out, such as the equipment being inspected and altered before and after each session, alongside improving the test areas to help with aerodynamics.

They didn't stop there though. Brailsford and British Cycling looked at the finest details, such as hiring a surgeon to teach their athletes the proper hand washing techniques to avoid illnesses. They avoided shaking hands when at the Olympic Games for the same reason.

Personal mattresses and pillows were used to help athletes sleep in the ideal position each night - nothing was left to chance.

Everything was done for a reason to be "somewhere between exceptional and phenomenal", said Steve Peters, the psychologist brought in by Brailsford just before the 2004 Olympic Games.<sup>3</sup>

Every weakness uncovered wasn't seen as a threat, but rather an opportunity to make adaptations, make marginal gains and improve.

## What were the effects?

The stats and figures speak for themselves and are testament to the work Brailsford and his team put into British Cycling.<sup>4</sup>

### Without Brailsford's Marginal Gains:

#### 2000 Sydney Olympic Games

The Olympic Games before Brailsford took charge. Team GB won one gold medal, with Jason Queally triumphing in the Kilo.

### With Brailsford's Marginal Gains:

#### 2004 Athens Olympic Games

Just one year into his reign with Team GB, Britain won another gold medal in the Kilo. This time it was won by one of the most notable figures in modern British Cycling, Sir Chris Hoy.

#### 2008 Beijing Olympic Games

After being in charge for five years, and having time to properly implement his marginal gains strategy, the effect was tremendous.

An incredible seven track gold medals were achieved in the Men's Keirin, Individual Pursuit, Team Pursuit, Individual Sprint, Team Sprint alongside the Women's Pursuit and Sprint.

British Track Cycling had announced itself in a big way, and the athletes had become household names. Paying attention to the marginal gains had paid off.

## With Brailsford's Marginal Gains:

### 2012 London Olympic Games

Four years later and Golds in the Men's Keirin, Team Pursuit, Individual Sprint, Team Sprint, and the Women's Keirin, Omnium and Team Pursuit saw an incredible match of seven gold medals from the previous games.

Brailsford was right to believe in his theory - the method behind the madness was backed up with cold, hard evidence.

### Tour de France

The success didn't stop at the Olympics. Brailsford joined Team Sky (now Team Ineos) in 2010 and their riders enjoyed winning the Tour de France eight out of a possible nine times from 2011 to 2019.<sup>5</sup>

Marginal gains didn't just revolutionise the Olympics for Britain, they impacted every competition they touched.

## Marginal Gains in Business

Marginal gains are all well and good for track cycling, but how can they be utilised to have a positive impact on businesses?

When looking to improve, it's natural to want to make an impact straight away, so managers often make drastic changes to one or two things when they are looking to boost their results.

Sometimes this works, but it can often lead to making things worse than before. Instead, adopting an approach of breaking down processes into small parts and making small improvements to them, no matter how small has been shown time and time again to produce great results both in sport and business.

Analyse everything to improve.

When you analyse everything you do to identify problems and find improvements no matter how small, the marginal gains from those improvements compound and can produce significant performance gains for a business.

## Let's take a look at a Contact Centre as an example:

A typical contact centre will follow a number of metrics and KPIs.

Abandoned Call Rate (ACR), Average Talk Time (ATT), Average After Call Work (ACW), Average Handle Time (AHT), Average Hold Time, First Contact Resolution (FCR) Rate, Service level and response time, Adherence to Schedule, Call Forecasting Accuracy, Staff Attendance / Unplanned absences (sick days), Customer Satisfaction, Staff Punctuality, Agent utilization, Ease of Client Self-service, Attrition Rate (Staff Turnover), Call Conversion Rate.

To improve just one of these metrics, they would need to analyse every contributing factor.

For example: Abandoned Call Rate is the number of inbound calls abandoned before they are answered by an agent.

For a call centre to improve the Abandoned Call Rate, they wouldn't just need to ensure a competent person answers the phone in a more timely manner, but would also need to examine contributing factors such as:

The hold music they play to their customers, the announcements made explaining where in the queue the customer is, offering a call back facility, staff punctuality, Average Talk Time (ATT), Average After Call Work (ACW), Average Handle Time (AHT), Average Hold Time, Adherence to Schedule, Call Forecasting Accuracy, Staff Attendance / Unplanned absences (sick days), Agent utilisation, Ease of Client Self-service, Attrition Rate (Staff Turnover), Call Conversion Rate, Holiday Planning among more. The list goes on and on.

Everything is connected and any individual improvements made are compounded.

One of the downsides to Marginal Gains is that it is easy to get swamped due to the number of variables that can be improved.

So, it is important to realise that everything does not need to be improved straight away, but rather, start with those improvements that will prove the largest benefit for the least effort. Then move on to the next, and begin improving again.

## There can be obstacles

In the same interview with the Harvard Business Review, Brailsford recognised that there are dangers to look out for, which he found after becoming Team Sky's (now Team Ineos) General Manager in 2010 for the Tour de France.

He said: “We didn’t get it right at all; our first few races were well below expectation. We tried so hard with all the bells and whistles of marginal gains that our focus was too much on the periphery and not on the core. You have to identify the critical success factors and ensure they are in place, and then focus your improvements around them.”<sup>2</sup>

How can gains be made without taking your foot off the gas? Whilst still paying attention on the big things which matter, the following should also be done.

## How to apply marginal gains to your business

Create a main goal for your business. What do you want your gold medal to be?

Now break it down.

List the things you need to improve in order to achieve your goal. Break each item down again list individual process and examine how they can be improved.

Take each item and keep on breaking them down into smaller parts, drill deep and keep dissecting.

Do they add value to the process? - Ask why questions often.

Imagine the process that lead to Brailsford employing a surgeon to teach the cyclists how to wash their hands.

Why can't they ride faster? They can only train so much.

Why can't they train every day? Athletes need a rest and sometimes they get ill.

Why do they get ill? Everybody gets ill sometimes because people pass on germs and viruses to them.

How can we reduce the likelihood of germs and viruses being passed on to our cyclists? Improve their hand washing and encourage staff members to stay at home if they have colds.

Copy this approach, drill down and ask why questions.

## Make it easy with Cxceed

It is actually straightforward to make improvements and it can be done by any type of business. If a business can improve just 1% of their interactions, then they are on a competition beating path.

Cxceed makes it simple to improve the conversations you have with your customers. Through the use of tailored benchmark surveys, customer feedback forms, and self-evaluation, Cxceed helps you drill down and find out what you need to improve without having to sit through hours of conversations.

Each conversation one of your staff has with your customers is a unique opportunity to develop the service your business provides - whether it be a call, email, text, web-chat, video conference, letter or a face-to-face conversation.

Starting with Benchmark Surveys, these are sent out at the beginning of the process to help understand how customers feel about the overall service you provide. This also creates a score to measure improvements against in the future.

A percentage of customers will also receive a Customer Feedback request after their communication to evaluate the service they received. Doing so provides the business with an insight into this specific experience.

The feedback helps indicate which calls, emails, web chats etc.. should be highlighted for evaluation.

Evaluations allow any highlighted issues in the Benchmark Surveys or Customer Feedback forms to be looked at in closer detail. All evaluations go to management and agents, and the poorly scoring responses can be flagged for further inspection.

Every conversation staff have with customers becomes a unique training opportunity.

Like Sir Dave Brailsford and British Cycling, you have the chance to improve small areas regularly, to make big improvements.





## How did it help Medilink Nursing?



Established for over 20 years, Medilink Nursing, a Temporary Nursing and Healthcare Agency, started to use Cxceed in late 2018 and have since seen dramatic business growth.

The improvements they have made as a result of using Cxceed speak for themselves, with the company using the software to improve how they go about their day-to-day business.

Their website, phone calls, email, sign-up rates and face-to-face conversations with their candidates have all seen improvements used through marginal gains, brought about through Cxceed.

## How do they use Cxceed?

Cxceed automatically requests feedback on every email.

Cxceed automatically requests feedback on every web chat.

Cxceed automatically requests feedback on a percentage of their phone calls to Clients.

Cxceed automatically requests feedback on a percentage of their phone calls to Candidates.

Cxceed automatically requests feedback on each webpage.

Cxceed automatically requests Client feedback on each Candidate after they have finished their shift.

Cxceed automatically requests Candidate feedback on each shift they complete.

Cxceed uses AI and the feedback results to choose interactions to forward to Medilink Nursing's staff for evaluation.

Medilink Nursing's staff use Cxceed to self-evaluate a percentage of their staffs interactions.

Medilink Nursing's managers use Cxceed to evaluate a percentage of their staffs interactions. Identifying what needs improving.

Medilink Nursing's managers use Cxceed's calibration report to ensure all staff member are evaluating the same way and encourage consistency.

## To wrap up

Whether you're the Performance Director of British Cycling, a business with 10,000 employees, or even just 10, every business can improve through identifying marginal gain improvements.

Start making regular, small improvements and they will soon start to compound to make a huge difference. These changes may seem small and slow at first, but the numbers will soon speak for themselves.

Get started today on the journey to your very own gold medal.



## Footnotes

(1) EVS Translations Blog. (2019). Kaizen - Word of the Day. [online] Available at: <https://evs-translations.com/blog/kaizen/>

(2) Harrell, E. (2015). How 1% Performance Improvements Led to Olympic Gold. [online] Harvard Business Review. Available at: <https://hbr.org/2015/10/how-1-performance-improvements-led-to-olympic-gold>

(3) Slater, M. (2012). Olympics cycling: Marginal gains underpin Team GB dominance. [online] BBC Sport. Available at: <https://www.bbc.co.uk/sport/olympics/19174302>

(4) British Cycling. (2019). Great Britain Cycling Team Medal History. [online] Available at: [https://www.britishcycling.org.uk/gbcyclingteam/article/Gbrst\\_gb-cyclingteam-GB-Cycling-Team-Medal-History--0](https://www.britishcycling.org.uk/gbcyclingteam/article/Gbrst_gb-cyclingteam-GB-Cycling-Team-Medal-History--0)

(5) Letour.fr. (2019). History - All rankings, starters, stages, jersey wearers, stage winner on the Tour de France . [online] Available at: <https://www.letour.fr/en/history>

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